

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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## MEMORANDUM

TO: Winchester Retirement Board

FROM: Joseph I. Martin, Deputy Executive Director

RE: Approval of Funding Schedule

DATE: September 30, 2019

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY20 (since the amount under the prior schedule was maintained in FY20) and is acceptable under Chapter 32.

The revised schedule reflects a revision to the mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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**Winchester Retirement System  
 January 1, 2019 Actuarial Valuation**

Total Cost Increasing 7.75% to FY28 with Final Amortization Payment in FY29

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Increase in Total Cost</u>
2020	2,281,448	100,000	2,803,308	5,184,756	31,134,267	
2021	2,384,113	100,000	3,102,462	5,586,575	30,412,241	7.75%
2022	2,491,398	100,000	3,428,136	6,019,534	29,330,050	7.75%
2023	2,603,511	100,000	3,782,537	6,486,048	27,835,032	7.75%
2024	2,720,669	100,000	4,168,048	6,988,717	25,868,558	7.75%
2025	2,843,099	100,000	4,587,244	7,530,342	23,365,428	7.75%
2026	2,971,038	100,000	5,042,906	8,113,944	20,253,211	7.75%
2027	3,104,735	100,000	5,538,040	8,742,774	16,451,528	7.75%
2028	3,244,448	100,000	6,075,891	9,420,339	11,871,264	7.75%
2029	3,390,448	100,000	6,630,594	10,121,042	6,413,705	7.44%
2030	3,543,018	100,000		3,643,018	0	-64.01%

Appropriation payments assumed to be made January 1 of each fiscal year.

FY20 Normal Cost includes assumed expenses of \$500,000 and is assumed to increase 4.5% per year

FY20 appropriation was maintained at the same level as the current schedule